



**State Controller's Office**  
**Personnel/Payroll Services Division**  
**Transaction Supervisors Forum**

**January 17, 2019**

**Program Management and Analysis Bureau (PMAB)**

❖ **Affordable Care Act (ACA) – Megan Vinson**

- Annual 1095-C mailing has begun.
- New Compliance Reports (reference PL #19-005):
  - Monthly: PDA2050L – Active Employee with Separation Code
  - Quarterly: PDQ2701I – Quarterly Employee Without Appropriate Address
  - Quarterly: PDQ2701K – Employee with COBRA Code Longer than 18 Months

❖ **New EID for Fractional EEs – Kelly Montalbano**

- New EID implemented for use when issuing pay for additional hours worked for part time or fractional time base employees who work hours above their time base up to 40 hours per week. Please begin using with the December 2018 pay period.
- Refer to Payroll Letter 18-026

❖ **Minimum Wage – Lisa Dean**

- A mass update was ran on 01/16/19 to update EH records with a SAL for eligible employees.
- Refer to Personnel Letter 19-003

❖ **Other Post-Employment Benefits (OPEB) – Lisa Dean**

- Upcoming Changes:
  - Earnings Statements will now show OPEB/CERBT instead of just CERBT for clarity.
  - The State Controller's Office (SCO) is implementing a new Employment History (EH) data item to identify an employee's eligibility for OPEB.
  - The item is OPEB CBID and it will be effective 01/31/19.
    - It denotes whether an employee is eligible or not eligible for OPEB contributions.
    - Until Payroll modifications are implemented in 2020, OPEB CBID will have no bearing on Payroll OPEB contributions. The Interim OPEB process will remain the same.
  - OPEB CBID is completely computer generated for departments.
  - Overall, eligibility criteria is established via CalHR policy for most employees and/or Judicial Council for Judicial Council employees.
  - Both the Padded and Turnaround PARs will display OPEB CBID as Item #142, at the far end of Line 1. The item will be shaded due to its computer generation.
  - OPEB CBID replaces the existing Item #145, ANNIV DATE, at the end of Line 1. This item was a computer generated/display only item. Actual Anniversary Date is located in Item 330 on Line 3.
  - PPSP will initially update OPEB CBID for active and on leave employees on the evening of 01/31/19 via mass update.

- The transaction code will be a 126 transaction, with a 01/31/19 effective date.
  - We ask that departments refrain from key entering EH transactions, as much as possible on 1/31/19, with the exception of separation transactions. Limited key entry will help ensure a more successful update, with less clean up activity.
  - No Turnaround PARs will be produced from this mass update due to the volume of transactions. We apologize for any inconvenience this may cause, but we believe that any potential inconvenience is outweighed by the workload associated with printing, delivering and filing a Turnaround PAR for nearly every civil service/exempt employee.
  - A Personnel Letter will be issued prior to 01/31/19 with pertinent details.
  - PAM revisions will follow with greater detail regarding OPEB CBID.
- ❖ **California Leave Accounting System (CLAS) - Judi Burzese**
- Leave Accounting Letter #19-001:
  - [Leave Accounting Letter #19-001](#) has been issued regarding the Calendar Year Reset of Usage Only benefits. The Maximum Hours benefit will no longer be reset on a calendar year basis for students, youth, and seasonal classifications. This is due to a change in the California Code of Regulations section 265.1. The Intermittent Benefit Tracking Report will also be modified to track 194 days, rather than 189 days for the Days Limit – ATW benefit. However, this change cannot be implemented immediately, so departments should monitor the amount of days being reported.

## Personnel and Payroll Services Bureau

- ❖ **Civil Service (CS) Benefits - Rebecca Doctolero**
- CoBen:
    - All known CoBen issues have been resolved. Those in attendance are asked to use the Escalation Email ([PPSDOps@sco.ca.gov](mailto:PPSDOps@sco.ca.gov)) to alert SCO to any missed CoBen transactions.
- ❖ **Civil Service (CS) Payroll - Renee McClain**
- Lump Sum Deferrals:
    - The [Lump Sum FAQs](#) and reminders state to use all of Item 620 lump sum vacation before using Item 625 for lump sum extra. The system will generally issue the time from the PAR keyed on EH, but if the time is not completed this way CS Payroll staff must transfer lump sum extra into lump sum vacation to allow the system to project out the remaining time from the PAR to prevent additional manual processing.
    - Please verify your calculations. Deferral requests are being submitted but the amount(s) submitted are not possible based on the time available and staff are having to contact departments to verify what amounts and accounts the employee (EE) wants, which is taking time from processing the workload.
      - Refer to the [Lump Sum Calculators](#) on the SCO website for assistance with determining deferral calculations.
      - Please also take into consideration when EEs hit Social Security max, garnishments that are subject to lump sum, and when Medicare Taxable Gross exceeds 200,000 to withhold 2.35%.

- Wins/Accomplishments:
  - CS Audits and CS Payroll have completed over 1300 Lump Sum Deferral requests for EEs separating between 11/01-12/31.
  - CS Payroll has processed over 3000 674s and 674 ARs.
- ❖ **W-2, Non-USPS, Miscellaneous Deductions - Vanessa Lopez**
  - 2018 W-2's will be mailed out by January 31, 2019.
  - Agencies and campuses should have updated the employee's address that their W-2 will be mailed to by December 19, 2018.
  - To view the address an employee's W-2 is being mailed out to, agencies can access View Direct Report ID: PDC9820, Report name "2018 W-2 to be mailed". Campuses can access CIRS Program PDC0101 CSU (compendium report code number D92, cycle date 18-12).
  - Undeliverable W-2's will be sent back to the employee's agency.
  - If employee does not receive 2018 W-2, SCO will waive the fee for providing a duplicate W-2 if the request is received by March 1, 2019. This information is on the [Payroll letter #18-020](#).
- ❖ **Civil Service (CS) Disability - Nastassja Johnson**
  - Standard Form 674D:
    - Reminder: Please use the current version of Standard Form 674D. You can find the current version of the form on the [Department of General Services' California State Forms Directory](#). The outdated form will be returned to you.
- ❖ **Statewide Customer Contact Center (SCCC) - Nastassja Johnson**
  - The State Controller's Office (SCO) is committed to providing the highest level of customer service possible. With that, we would like to share the reminder that we are here to service Department's and/or Campus Human Resources (HR) Offices. Employees are best served by their own Department and/or Campus HR Office, as they have a direct relationship with the employee and can best address the employee's needs. We ask that Department and/or Campus HR Offices do not share SCO's direct contact information with employees. If an employee requires HR-related assistance, please direct the employee back to his/her respective HR Representative. This will ensure that SCO can continue providing excellent customer service to Departments and/or Campus HR Offices.
  - Escalation Email:
    - Reminder: Our Escalation email ([PPSDOps@sco.ca.gov](mailto:PPSDOps@sco.ca.gov)) is for Supervisors and Managers. You can find guidelines to using our Escalation email on our website under Human Resources.
  - California Personnel Office Directory (CPOD):
    - Please update [CPOD](#) with current information.

## California State Payroll System (CSPS)

- The CSPS project has completed the current state assessment for stage 2 of the PAL process.
- The CSPS team is starting the next activities defined as the Future State Activities.
  - This is the start of developing the way the state processes payroll in the future.

- The first step will be to discuss the Future State Workflows with a representation of project stakeholders.
- Updates will be made to the website, so please visit our page at <https://www.sco.ca.gov/csps.html>